

United States District Court
Southern District of Texas
FILED

AUG 26 2010

David J. Bradley, Clerk of Court

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

UNITED STATES OF AMERICA

VS.

SANDRA ELIZABETH CUNNINGHAM

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§
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§

CRIMINAL NO. H-10-

H-10- 609

INDICTMENT

The United States Grand Jury charges:

COUNT ONE

(Conspiracy to Commit Wire Fraud - 18 U.S.C. §1349)

A. INTRODUCTION

At all time material to this indictment:

1. Rider Hunt International (USA) Inc. (RHI) was a privately held company until April of 2008, when it was acquired by AMEC, plc, a publicly traded company on the London Stock Exchange. RHI is an oil and gas consulting company.

2. SANDRA ELIZABETH CUNNINGHAM was the Vice President of Administrative Support in RHI's Houston, Texas office for approximately eight (8) years. Her employment with RHI ended in June of 2009.

3. As Vice President of Administrative Support, SANDRA ELIZABETH CUNNINGHAM conducted the administrative functions at RHI including Automated Clearing House (ACH) payments, maintaining the QuickBooks file, and payroll.

4. During SANDRA ELIZABETH CUNNINGHAM'S tenure, RHI banked at Amegy Bank.

B. THE CONSPIRACY

5. Beginning in or about January of 2004, and continuing at least through June 9, 2009, in the Houston Division of the Southern District of Texas, and elsewhere, the defendant,

SANDRA ELIZABETH CUNNINGHAM ,

did knowingly conspire and agree with at least one other person to commit the following offenses against the United States:

To knowingly devise and intend to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and to knowingly use and cause to be used interstate wire communications facilities in carrying out the scheme to defraud, in violation of Title 18, United States Code, Section 1343;

C. MANNER AND MEANS OF THE SCHEME

6. As Vice President of Administrative Support, SANDRA ELIZABETH CUNNINGHAM would and did conduct the administrative functions at RHI including Automated Clearing House (ACH) payments, the QuickBooks file, and payroll.

7. SANDRA ELIZABETH CUNNINGHAM and her coconspirators would and did enrich themselves at RHI's expense with unauthorized salary payments for the defendant; unauthorized ACH payments to a bank account in defendant's name; a bank account in defendant's husband's company; a bank account in the name of defendant's son

and daughter; credit card accounts in the name of defendant's husband's companies; unauthorized wire transfers to defendant's husband; and unauthorized use of a company credit card.

8. SANDRA ELIZABETH CUNNINGHAM and her coconspirators would and did cause to be prepared, authorized, disseminated and transmitted through interstate wire communications, to individuals and entitites, including banks and credit card companies, payments which were obtained through fraudulent means, which Defendant and her coconspirator knew and had reason to believe were material for the transfer of the funds.

9. SANDRA ELIZABETH CUNNINGHAM applied for and was issued an American Express credit card on behalf of RHI. The account number ended in 1009. SANDRA ELIZABETH CUNNINGHAM was not authorized to open this account.

10. SANDRA ELIZABETH CUNNINGHAM and her coconspirators would and did charge amounts on RHI's American Express credit card which were for personal use, and then pay the credit card with RHI's funds.

11. SANDRA ELIZABETH CUNNINGHAM would and did cause ACH wire transfers of RHI's money in the Amegy Bank account to various coconspirators to include family members and family members' credit card accounts.

12. SANDRA ELIZABETH CUNNINGHAM would and did fraudulently obtain monies by increasing her salary payments above the amount approved by RHI's Chief Executive Office, paying herself a bonus to cover her 401(k) contributions, and making

other unapproved payroll payments.

13. SANDRA ELIZABETH CUNNINGHAM and her coconspirators fraudulent actions caused a loss to RHI of over \$2,000,000.00.

OVERT ACTS

In furtherance of the conspiracy described in Count One and to effect the objects thereof, the defendant named therein and other persons both known and unknown to the grand jury, performed or caused the performance of one or more of the following Overt Acts, among others not described herein, in the Southern District of Texas and elsewhere on or about the following dates:

(1) SANDRA ELIZABETH CUNNINGHAM would and did cause unauthorized increases to her salary during the years of her employment which totaled over \$64,000.00. SANDRA ELIZABETH CUNNINGHAM caused additional unauthorized payroll payments to herself totaling approximately \$121,248.30. Her salary payments and the additional unauthorized payroll payments were transmitted from Intuit's JP Morgan Chase bank account via interstate wire communications to defendant's bank account at Amegy.

(2) On or about January 10, 2007, SANDRA ELIZABETH CUNNINGHAM caused an unauthorized ACH payment of \$17,563.82 to be transmitted via interstate wire communications from RHI's Amegy Bank account in the name of RHI to an American Express titled account at JP Morgan Chase Bank, reference Sandy Cunningham, for a credit card account ending in 2016. The receiving American Express account was in the

name of Joseph Cunningham, Elite Remodeling. The payment was falsely recorded in RHI's books as a payment to Instone International.

(3) On or about April 12, 2007, SANDRA ELIZABETH CUNNINGHAM and her coconspirators caused an ACH payment to be transmitted via interstate wire communications for \$10,000.00 from RHI's Amegy Bank account to a JP Morgan Chase Bank account for the benefit of Chad Luna, the Defendant's son. The payment was falsely recorded in RHI's books as a payment to Clive Duerden.

(4) On or about September 5, 2007, SANDRA ELIZABETH CUNNINGHAM and her coconspirators caused an interstate wire transfer of \$6,080.40 from RHI's Amegy Bank account to an bank account in the name of Joseph Cunningham, defendant's husband. The payment was falsely recorded in RHI's books as a payment to Tony Eccles.

(5) On or about April 10, 2008, SANDRA ELIZABETH CUNNINGHAM and her coconspirator caused an ACH payment of \$17,400.00 to be transmitted via interstate wire communications from RHI's Amegy Bank account to an Amegy Bank account in the name of Joe Cunningham dba JS Enterprises. The payment was falsely recorded in RHI's books as a payment to J Enterprises.

(6) On or about April 14, 2008, SANDRA ELIZABETH CUNNINGHAM and her coconspirator caused an ACH payment of \$21,394.94 to be transmitted via interstate wire communications from RHI's Amegy Bank account to an American Express titled account at JP Morgan Chase Bank, reference Cunningham, for a credit card account ending in

1002. The receiving American Express account was in the name of Joseph Cunningham, JS Enterprises. The payment was falsely recorded in RHI's books as a payment to Carlson Wagonlit Travel.

(7) On or about April 10, 2008, SANDRA ELIZABETH CUNNINGHAM and her coconspirator caused an ACH payment of \$3,628.45 to be transmitted via interstate wire communications from RHI's Amegy Bank account to an Amegy Bank account in the name of Joe Cunningham or Sandy Cunningham. The payment was falsely recorded in RHI's books as a payment to Graeme Noble.

(8) On or about April 15, 2008, SANDRA ELIZABETH CUNNINGHAM and her coconspirator caused an ACH payment of \$3,000.00 from RHI's Amegy Bank account to an Amegy Bank account in the name of Tobi Davis, the Defendant's daughter. The payment was falsely recorded in RHI's books as a payment to Rebecca Babcock.

All in violation of Title 18, United States Code, Section 1349.

WIRE FRAUD COUNTS

COUNTS TWO through EIGHT (Title 18, U.S.C. §1343)

1. The Grand Jury realleges and incorporates by reference, as though fully set forth herein, the allegations contained in sections A and C as set out in Count One of the indictment.

2. On or about the following dates in the Southern District of Texas, the named defendant,

SANDRA ELIZABETH CUNNINGHAM

did knowingly devise, intend to devise, and participate in a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses and representations, and in execution of said scheme did cause to be transmitted in interstate commerce, by means of a wire communication, unauthorized RHI withdrawals and purchases as follows in Counts Two through Eight:

COUNT	DATE	FINANCIAL TRANSACTION
Two	January 10, 2007	ACH payment of \$17,563.82 from RHI's Amegy Bank account in the name of RHI to an American Express titled account at JP Morgan Chase Bank, reference Sandy Cunningham, for a credit card account ending in 2016. The payment was recorded in RHI's books as a payment to Instone International.
Three	April 12, 2007	ACH payment of \$10,000.00 from RHI's Amegy Bank account to a JP Morgan Chase Bank account for the benefit of Chad Luna, the Defendant's son. The payment was recorded in RHI's books as a payment to Clive Duerden.
Four	September 5, 2007	Wire transfer of \$6,080.40 from RHI's Amegy Bank account to a bank account in the name of Joseph Cunningham, defendant's husband. The payment was recorded in RHI's books as a payment to Tony Eccles.
Five	April 10, 2008	ACH payment of \$17,400.00 from RHI's Amegy Bank account to an Amegy Bank account in the name of Joe Cunningham dba JS Enterprises. The payment was recorded in RHI's books as a payment to J Enterprises.

Six	April 14, 2008	ACH payment of \$21,394.94 from RHI's Amegy Bank account to an American Express titled account at JP Morgan Chase Bank, reference Sandy Cunningham, for a credit card account ending in 2016. The payment was recorded in RHI's books as a payment to Carlson Wagonlit Travel.
Seven	April 10, 2008	ACH payment of \$3,628.45 from RHI's Amegy Bank account to an Amegy Bank account in the name of Joe Cunningham or Sandy Cunningham. The payment was recorded in RHI's books as a payment to Graeme Noble.
Eight	April 15, 2008	ACH payment of \$3,000.00 from RHI's Amegy Bank account to an Amegy Bank account in the name of Tobi Davis, the Defendant's daughter. The payment was recorded in RHI's books as a payment to Rebecca Babcock.

In violation of Title 18, United States Code, Section 1343.

NOTICE OF FORFEITURE

[18 U.S.C. § 981(a)(1)(C)]

Pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), the United States gives notice to the Defendant

SANDRA ELIZABETH CUNNINGHAM

that upon conviction for conspiracy and mail fraud, in violation of Title 18, United States Code, Sections 1349 and 1343, as charged in Counts 1-8, all property which constitutes, or is derived from, proceeds traceable to such violations shall be forfeited to the United States.

The property subject to forfeiture includes, but is not limited to, the following property:

Approximately \$2,000,000.00 in United States dollars, or a money judgment equal to that amount.

SUBSTITUTE ASSETS

In the event that the property subject to forfeiture as a result of any act or omission of the Defendant:

- a. cannot be located upon exercise of due diligence;
- b. has been placed beyond the jurisdiction of the Court;
- c. has been transferred or sold to, or deposited with a third party;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States to seek forfeiture of any other property of the Defendant up to the value of such property pursuant to Title 21, United States Code, Section 853(p), incorporated by reference in Title 28, United States Code, Section 2461.

TRUE BILL

Original Signature on File

FOREPERSON OF THE GRAND JURY

JOSE ANGEL MORENO
United States Attorney

By:

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